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Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 PA-01 SP-02 SS-15 HA-05 TRSE-00
IO-13 AID-05 EB-08 AGRE-00 OMB-01 ABF-01 NSCE-00
SSO-00 USIE-00 INRE-00 /085 W
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O R 132154Z MAR 78
FM AMEMBASSY MANAGUA
TO SECSTATE WASHDC IMMEDIATE 6010
INFO AMEMBASSY CARACAS
AMEMBASSY GUATEMALA
AMEMBASSY SAN JOSE
AMEMBASSY SAN SALVADOR
AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L SECTION 1 OF 2 MANAGUA 1211

E.O. 11652: GDS
TAGS: PGOV, PINS, PINT, SHUM, NU
SUBJECT: SOMOZA'S PRESS CONFERENCE: MARCH 10

SUMMARY: PRESIDENT SOMOZA HAD A TWO-HOUR PRESS CONFERENCE DURING WHICH HE REITERATED HIS INTENTION TO UNDERTAKE INITIATIVES TO PROVIDE THE CONDITIONS IN WHICH POLITICAL PEACE CAN BE RESTORED. HIS TONE WAS GENERALLY CONCILIATORY. SOOZA'S INTRODUCTORY REMARKS AND RESPONSES COVERED A WIDE RANGE OF ISSUES. HE ALSO COMMENTED ON THE CURRENT ECONOMIC SITUATION. END SUMMARY

1. SOMOZA HELD A PRESS CONFERENCE ON MARCH 10 ATTENDED BY A LARGE NUMBER OF LOCAL AND OTHER LATIN AMERICAN PRESS REPRESENTATIVES. SOME OF THE QEUSTIONS CLEARLY CAME FROM SOMOZA SUPPORTERS BUT OTHERS WERE POINTED AND FORCED HIM TO THINK. THE MAJOR POINTS WERE: MIN GOV MORA HAS BEEN ASKED TO FORM THE NATIONAL COMMISSION TO LOOK INTO THE CHAMORRO ASSASSINATION; THE DOOR TO A DIALOGUE REMAINS OPEN; A MOTION TO AMEND THE RADIO AND TV CODE HAS ALREADY BEEN ACCEPTED BY THE CONGRESS; SOMOZA REMAINS OPEN TO INPUT FROM THE OPPOSITION ON
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SUCH ISSUES AL ELECTORAL LAW REVISION AND RESTRUCTURING THE NATIONAL GUARD. HE AND THE LIBERAL PARTY REMAIN READY TO ACT UNILATERALLY IF THE OPPOSITION WON'T DIALOGUE. THE FOLLOWING ARE THE MOST SIGNIFICANT OF SOMOZA'S COMMENT.

2. REGARDING THE USE OF TEAR GAS AND WEAPONS FIRE TO BREAK UP A GROUP OF JOURNALISTS MARCHING TO THE CHAMORRO ASSASSINATION SITE ON MARCH

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1, SOMOZA SAID HE CONSIDERED THE POLICE RESPONSE EXCESSIVE AND HAD CALLED THIS TO THE ATTENTION OF THE CHIEF OF POLICE.

3. REGARDING CRITICISM OF HIS CONSTITUTIONAL REFORM INTIATIVE TOWARD OPEN POLITICAL PARTICIPATION, SOMOZA SAID THE REFORM INTIATIVE WAS SUBJECT TO REVISION BASED ON DIALOGUE, AND THAT REMOVING THE ELECTORAL LAW FROM THE CONSTITUTION WAS TO FACILITATE REFORM. BESIDES THAT, HE POINTED OUT, THERE IS NO OTHER CENTRAL AMERICAN COUNTRY WHICH INCORPORATES THE ELECTORAL LAW IN THE CONSTITUTION. HE SAID THE CONSERVATIVES WERE COMPLAINING NOW, BUT WHEN THE REFORM TOOK EFFECT AND SUCCEEDED IN REMOVING THE ANXIETIES OF PEOPLE WITH DIFFERENT IDEOLOGIES, THE CONSERVATIVES ARE GOING TO APPEAR AS RETROGRADES WHO DIDN'T WANT AN OPENING.

4. CONSERVATIVES HAVE ALWAYS BEEN AFRAID OF OPENING THE POLITICAL PROCESS, ACCORDING TO SOMOZA: "THAT IS THE CONSERVATIVE MENTALITY," IT IS "A NICARAGUAN TRAGEDY BECAUSE THE CONSERVATIVES HAVE NEVER WANTED TO BELIEVE IN THE INTEGRITY OF THE AVERAGE NICARAGUAN, WHETHER LIBERAL OR CONSERVATIVE." "I THINK ALL NICARAGUANS HAVE TO MAKE AN ACT OF CONTRITION AND THINK THERE IS INTEGRITY IN THE PEOPLE WHO COMPRISE THE ELECTORAL BOARDS."

5. IN ANSWER TO QUESTIONS AS TO WHETHER IT WAS FEASIBLE TO EXTEND SOCIAL SECURITY COVERAGE, SOMOZA SAID THAT IT WOULD BE EXTENDED TO LEON AND CHINANDEGA DEPARTMENTS THIS YEAR AND WOULD COVER THE WHOLE COUNTRY IN 1979.
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6 SOMOZA SAID HE WAS GIVING INSTRUCTIONS TO MINGOV MORA TO BE RESPONSIBLE FOR ASSEMBLYING A JURIDICAL COMMISSION WHICH WILL EXAMINE THE CRIMINAL JUSTICE PROCESS BEING FOLLOWED IN THE CHAMORRO ASSASSINATION CASE AND WILL ISSUE ITS LEGAL PRONUNCEMENT ACCORDING TO ITS TIMING AND CONVENIENCE.

7. ASKED HOW HE WOULD PUT AN END TO TERRORIST ASSASSINATIONS, SOMOZA SAID "FOR THOSE WHO ONLY DEMAND THE BREAKUP OF THE REPUBLICAN GOVERNMENT OF NICARAGUA, WHICH IS WHAT THE MARXIST-LENISTS DEMONSTRATE, THE ONLY THING WE CAN DO IS TO BRING TOGETHER THE DEMOCRATIC ADVERSARIES AND TRY TO AVOID THAT INDIVIDUALS EXIST WHO HAVE THE POLITICAL INTENTION TO TRY TO TAKE POWER BY MEANS OF CRIMES, TERROR, AND FRAUD.

8. ASKED ABOUT HIS BEING RESPONSIBLE FOR DOING SOMETHING TO END THE BLOODLETTING, E.G., THAT HE RESIGN, SOMOZA REPLIED THAT HIS RESIGNATION WOULDN'T HELP ANYTHING, AND THAT HE HAD DONE HIS PART IN CALLING THE COMMANDERS AND POLICE CHIEFS AND WARNING THEM TO USE THE GREATEST PRUDENCE WHEN THEY ARE CONTROLLING ACTS OF VIOLENCE AND DESTRUCTION OF PROPERTY.

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9. IN RESPONSE TO A QUESTION ABOUT AMNESTY FOR POLITICAL PRISONERS, SOMOZA ANSWERED THAT IN POLITICS ANYTHING IS POSSIBLE, WHAT IS NECESSARY IS THE CLIMATE FOR CERTAIN THINGS TO HAPPEN. "THEY TALK ABOUT AMNESTY--WHAT GUARANTEES DO THEY GIVE THAT THEY WON'T CONTINUE VIOLATING THE CODE OF CONDUCT? I ANSWER YOU AS A POLITICAN, IN POLITICS THERE ARE ALL KINDS OF SOLUTIONS TO PROBLEMS." LATER SOMOZA SAID HE IS OPEN TO DIALOGUE WITH WHATEVER GROUP, "BECAUSE PART OF THE POLITICAL EVOLUTION OF A COUNTRY IS TO TALK AND ADOPT THOSE THINGS WHICH ARE CONVENIENT FOR THE BODY POLITIC, AND IN THE BODY POLITIC ARE BOTH MOORS AND CHIRISTIANS. NICARAGUA IS KNOWN FOR THE NUMBER OF AMNESTIES IT HAS HAD, THUS IT IS NOTHING NEW FOR ME; ON THE CONTRARY, WHILE I WAS IN DIRECT CHARGE OF THE GN, UNDER MY COMMAND THERE WAS MANY ACTS OF VIOLENCE AND THERE ALSO OCCURRED MANY AMNESTIES." HOWEVER, ON THE FSLN PARTICIPATING IN THE CONFIDENTIAL

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DIALOGUE, SOMOZA SAID "THOSE WHO ARE AT WAR CAN'T DIALOGUE."

11. ON THE RELUCTANCE OF THE OPPOSITION TO ENTER A DIALOGUE WITH HIM, SOMOZA SAID THIS MEANT HE HAD TO TAKE THE INITIATIVE, " ANDI HAVE TAKEN IT, NOT UNDER THE GUN, AS PEOPLE SAY. I HAVE TAKEN IT BECUASE IT IS IN ACCORD WITH MY POLITICAL OBJECTIVE, AND MY POLITICAL OBJECTIVE IS TO LEAD THE COUNTRY TO FREE AND PEACEFUL ELECTIONS...."

12. REGARDING DEMOCRATIZATION THROUGH OPENINGUP THE POLITICAL PROCESS TO OTHER PARTIES, SOMOZA ANSWERED "... IN MY CONCEPT NICARAGUA IS A FUNCTIONING DEMOCRACY, IT IS JUST THAT THE TERMS OF REFERENCE ARE VERY HARD-- I DON'T KNOW IF TIN THE NEW ELECTORAL LAW PERHAPS IT WON'T BE REQUIRED TO HAVE 5 PERCENT OF THE VOTES CAST IN THE LAST ELECTION TO BE A PARTY, IT COULD BE 3, 2, OR 1 PERCENT-- WE DON'T KNOW--BUT THIS IS ALL THAT HAS KEPT THESE GROUPS OUT OF PARTICIPATING IN THE ELECTIONS BECAUSE THEY HAVE NEVER BEEN ABLE TO GATHER THE 5 PERCENT..."

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IO-13 AID-05 EB-08 AGRE-00 OMB-01 ABF-01 NSCE-00
SSO-00 USIE-00 INRE-00 /085 W
----------093770 132327Z /73
O R 132154Z MAR 78
FM AMEMBASSY MANAGUA
TO SECSTATE WASHDC IMMEDIATE 6011
INFO AMEMBASSY CARACAS
AMEMBASSY GUATEMALA
AMEMBASSY SAN JOSE
AMEMBASSY SAN SALVADOR
AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L SECTION 2 OF 2 MANAGUA 1211

13. REGARDING THE HOPE OF THE OPPOSITION FOR U.S. INTERVENTION AND THEIR CRITICISM OF THE U.S. FOR ITS EUTRALITY, SOMOZA SAID"... IN MY OPINION, THOSE PERSONS WANT OTHERS TO DO THEIR WORK FOR THEM, AND WHEN THEY DON'T, THEY BEING TO CRY LIKE CHILDREN..." ON US-GON RELATIONS, SOMOZA ANSWERED, "I CONSIDER RELATIONS WITH THE US AS NORMAL." HE WENT ON TO SAY, "THERE IS A DIFFERENCE OF OPINION ON HOW THEY SEE US AND HOW WE THINK WE ARE. THERE WERE PEOPLE WHO THOUGHT PRESIDENT CARTER WAS GOING TO COME HERE TO OVERTHROW THE LIBERAL REGIME, AND THOSE PEOPLE ARE NOW UPSET, BUT (THE US) IS A RESPONSIBLE GOVERNMENT WHICH PERHAPS IS NOT IN AGREEMENT WITH MY ACTIONS BUT CAN'T INTERVENE IN INTERNAL AFFAIRS OF THIS COUNTRY OR OTHERS." HE SAID THE US HAS DIFFERENCES WITH OTHER COUNTRIES BUT HE, UNLIKE OTHERS, HASN'T GIVEN UP THE QUARREL. "I AM A RESPONSIBLE OFFICIAL, I KNOW THAT THINGS CAN BE ARRANGED IN ROUTE IF THERE ARE CHANGES IN ATTITUDES, AS MUCH BY THEM AS BY US."

14. ON AN IAHRC VISIT SAID THE GON IS OPEN TO SUCH VISITS BUT "... I CONSIDER THAT NOT AT THE PRESENT TIME, BECAUSE WE ARE STILL EMERGING FROM A PROVOKED AGITATION".
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15. ASKED ABOUT RESTRUCTURING THE GUARD, SOMOZA SAID ANY COLEGIATE BODY HAS TO BE REVISED FROM TIME TO TIME..." WE CAN DISCUSS IT, I AM NOT CLOSED, I'M NOT OPPOSED...IF THEY WANT TO CHANGE IT POSI-TIVELY I AM IN AGREEMENT."

16. SOMOZA SAID HE HAS NEVER THOUGH HE HAD A POSITIVE IMAGE AMONG ALL NICARAGUANS, BUT HE HAS WITH THE PEOPLE WHO VOTED FOR HIM AND"... I THINK THAT I HAVE (A POSITIVE IMAGE) WITH THE MAJORITY...". HE HEN CITED THE RECENT LIBERAL PARTY RALLY AS EVIDENCE OF HIS POPU-LARITY.

17. ON THE GN RESPONSE TO PROVOCATION, SOMOZA SAID "PERHAPS WE HAVE TAKEN A LITTLE MORE TIME THAN WE PREVIOUSLY TOOK TO STABILIZE CERTAIN SITUATIONS, BUT WE ALSO CONSIDER THAT A LITTLE TIME IS BETTER

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THAN A GREATER LOSS OF HUMAN LIVES AS WOULD HAVE HAPPNED IF WE
HAD DONE THIS IN 24 HOURS AS SOME WOULD HAVE LIKED."

18. ON ECONOMIC ISSUES, SOMOZA REPORTEDLY SAID THAT:
--EXPORTS WILL REACH $678 MILLION IN VALUE IN 1978;
--GDP WILL RISE BY 10 PERCENT AT CURRENT PRICES AND BY 6 PERCENT
IN REAL TERMS THIS YEAR;
--THE COFFEE CROP FOR CROP YEAR 1978/79 WILL INCREASE 10.8 PERCENT
TO1.4 MILLION QUINTALES (1 QUINTAL EQUALS 101.4 POUNDS);
--IN 1978, NICARAGUAN COULD REACH A GOAL SET YEARS AGO OF A PER
CAPITA GROSS DOMESTIC PRODUCT OF US$1,000;
--NICARAGUA'S BALANCE OF PAYMENTS SITUATION IS SOLID AS EVIDENCED
BY ITS PRESENT OFFICIAL RESERVES OF $140 MILLIN AND THE BACKING
INTERNATIONAL FINANCIAL INSTITUTIONS GIVE IT;
--SAVINGS WHICH HAD BEEN WITHDRAWN FROM THE LOCAL FINANCIAL SYS-
TEM DURING THE GENERAL STRIKE ARE NOW RETURNING;
--CITIZENS SHOULD CNTINUE TO SAVE BECAUSE THE LOCAL CURRENCY, THE
CORDOBA, IS SOUND AND THERE IS NO FOUNDATION TO MALICIOUS RUMORS
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OF DEVALUATION; AND
--THE GENERAL STRIKE NATURALY REDUCED ECONOMIC ACTIVITY BUT HAD THE
SIDE EFFECT OF REDUCING EXPENDTURE OF DOLLARS ON EXTRAVAGANT PUR-
CHASES, THUS STRENTHENING NICARAGUA'S BALANCE OF PAYMENTS.

19. COMMENT: SOMOZA IS MORE OPTIMISTIC ABOUT NICARAGUA'S ECONOMIC
PROSPECTS THAN EITHER WE OR OTHER, INDEPENDENT OBSERVERS ARE. WE
FORESEE LITTLE OR NO ECONOMIC GROWTH IN REAL TERMS DURING 1978
(SEE MANAGUA A-15, 3/10/78); WE PUT EXPORTS THIS YEAR AT ABOUT $630
MILLION BASED ON LATEST AVAILABLE MARKET PROJECTIONS AND AN ANALYSIS
OF DROUGHT CONDITIONS. NICARAGUA FACES SERIOUS ECOONOMIC PROBLEMS
WHICH PRE-EXIST THE PRESENT POLITICAL CRISIS AND WHICH THAT CRISIS
ONLY EXACERBATES. WE DOUBT THAT NICARAGUA WILL ACHIEVE A $1,000
PER CAPITA GDP THIS YEAR UNLESS IT IS ACHIEVED THROUGH INFLATION.
RATHER, WE ANTICIPATE A $35 DELINE IN PER CAPITA GDP FROM THE
APPROXIMATELY $956 FIGURE ACHIEVED IN 1977. WE DO NOT HAVE CURRENT
DATA ON SAVINGS IN THE PRIVATE SECTOR BUT OUR DISCUSSIONS WITH RE-
PRESENTATIVES OF THE BANKING COMMUNITY LEAD US TO CONCLUDE THAT
SOMOZA'S CLAIM ABOUT DEPOSITS GROWING IS WISHFUL THINKING. WE CAL-
CULATED GROSS INTERNATIONAL RESERVES HELD BY THE CENTRAL BANK AS OF
THE END OF 1977 AST ABOUT $130 MILLION AND NET RESERVES AT ABOUT
$87.5 MILLION. WE UNDERSTAND THAT CENTRAL BANK RESERVES DECLINED
BY ABOUT $14 MILLION DURING JANUARY AND FEBRUARY, A PERIOD WHEN
THEY SHOULD HAVE RISEN OWING TO EXPORTS OF MAJOR CROPS. HENCE, WE
DO NOT CONSIDER NICARAGUA'S BALANCE OF PAYMENTS (A $56 MILLION DEFI-
CIT IN 1977) AND RESERVE SITUATION TO BE PARTICULARLY AUSPICIOUS.
WE BELIEVE SOMOZA IS CORRECT IN ASSERTING THE DEVALUATION OF THE
CORDOBA IS NOT IMMINENT. NONETHELESS, PRESSURES ON THAT CURRENCY
ARE LIKELY TO MOUNT IF THE GON RESORTS TO THE PRINTING PRESS
TO RESTORE LIQUIDITY TO THE FINANCIAL SYSTEM.

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20. COMMENT: ALTHOUGH SOMOZA ENGAGED IN SOME OF THIS STANDARD DEMAGOGY IN TOUTING HIS AND THE LIBERAL PARTY'S ENLIGHTENMENT AND ACCOMPLISHMENTS, THE PRESS CONFERENCE ALSO SHOW A SIGNIFICANT DEGREE OF REALISM, ACCOMMODATION, AND EVEN SOME CONTRITION. THE MOST IMPORTANT MESSAGE WHICH CAME THROUGH MANY TIMES IS THAT HE IS CONFIDENTIAL

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HOLDING, AND WILL CONTINUE TO HOLD, THE DOORS VERY OPEN TO DIALOGUE BUT, IF HE HAS TO, HE IS WILLING TO ACT UNILATERALLY AND LET THE RESULTS BE JUDGED AFTER THE FACT AS TO WHETHER HIS INTIATIVE WERE IN THE COUNTRY'S INTEREST. SOMOZA'S COMMENTS WILL NOT LIKELY WIN OVER ANY OPPOSITION LEADERS TO ACCEPTANCE OF A DIALOGUE. THEIR REACTION IS LIKELY TO BE THAT SOMOZA IS IN FACT ACTING UNDER THE GUN, AND IS SIMPLY TRYING TO BUY OFF THE U.S. AND SOME OF HIS OTHER CRITICS. THEY ARE NOT LIKELY TO BELIEVE HE IS CONTRITE, BUT EVEN IF THEY DID BELIEVE THIS, THEY DON'T BELIEV HE IS REDEEMABLE.
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Status: NATIVE
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TAGS: PGOV, PINS, PINT, SHUM, NU, (SOMOZA DEBAYLE, ANASTASIO)
To: STATE
Type: TE
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